

Guide for Review of EZ Procurement			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s)		Date	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. Except for question 29, all other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding.**"

Instructions: This Exhibit is designed to review the EZ's compliance with procurement requirements. It is divided into eight sections: Sample Selection; Small Purchases; Competitive Sealed Bids; Competitive Proposals; Noncompetitive Proposals; General Provisions/Procedures; Bonding and Insurance; and Contracting with Small and Minority Firms, Women's Business Enterprises and Labor Surplus Area Firms. EZ procurement requirements are governed by the provisions of 24 CFR Part 84 and 24 CFR Part 85, which are incorporated by reference in the Round II EZ Grant Agreement (see Section I. D). Using the guidance in Section 14-4 of the introduction to this Chapter, the HUD monitor is to randomly select procurement transactions undertaken by the program participant (using risk analysis results and keeping in mind the size of the EZ's program and available time and resources). Combined with EZ staff interviews, the procurement files for these selected transactions are to be used to verify program participant compliance. If the EZ's accounting system includes information on contracts, purchase orders, etc. related to the grant program, it can be a convenient starting point for selecting procurement transactions to review.

Questions:**A. SAMPLE SELECTION**

1.

Provide the following information for the selected sample of procurement transactions (adding more lines, as needed):

Name of Contractor/Purpose	Date of Purchase	Amount Budgeted	Amount Obligated	Amount Expended	Procurement Method*
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

* Use the following numbers for these methods of procurement [see 24 CFR 85.36(d)]:
 (1) Small Purchase; (2) Sealed Bids; (3) Competitive Proposals; and (4) Noncompetitive Proposals.

B. SMALL PURCHASES.

2.

Can the EZ document receipt of an adequate number of price or rate quotations from qualified sources for procurements of \$100,000 or less? (Describe types of purchases and price or rate quotes received.) [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(1) or 24 CFR 84.44(e)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

C. SEALED BIDS.

3.

Summarize the EZ's formal, sealed bid process. (Attach copies of written policies/procedures, if applicable.)
Describe Basis for Conclusion:

4.

Exhibit 14-7
Round II Empowerment Zones (EZs)

a. Does the EZ receive at least two or more responsible bids for each procurement transaction? [EZ Grant Agreement, Section I.A; 24 CFR 85.36(d)(2)(i)(B) or 24 CFR 84.44]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: 	

b. If the answer to “a” above is “no,” do any problems appear systemic failures (i.e., the program participant’s system failed to work properly) or isolated failures?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: 	

5.

a.. For the transactions reviewed, do the procurements lend themselves to firm, fixed price contracts and can selections of successful bidders be made principally on the basis of price? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(2)(i)(C) or 24 CFR 84.44(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: 	

6.

7.

09/2005

8.

For the transactions reviewed, were all bids opened publicly at the times and places stated in the IFBs? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(2)(ii)(C)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

9.

Are contracts awarded to the lowest responsive and responsible bidders? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(2)(ii)(D) or 24 CFR 84.44(d)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

D. COMPETITIVE PROPOSALS.

10.

Is this procurement method used generally when conditions are not appropriate for the use of sealed bids? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

<p>For the transactions reviewed, do the Request for Proposals (RFPs) clearly and accurately state the technical requirements for the goods or services to be procured?</p> <p>[EZ Grant Agreement, Section I.D; 24 CFR 84.44(a)(3)(i)]</p>	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <input type="checkbox"/> Yes </div> <div style="text-align: center;"> <input type="checkbox"/> No </div> </div>
<p>Describe Basis for Conclusion:</p> <div style="border: 1px solid black; height: 800px; width: 100%;"></div>	

Are proposals solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurements? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(ii) or 24 CFR 84.43]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

<p>Does the EZ publicize RFPs and honor reasonable requests by parties to compete to the maximum extent practicable? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(i) or 24 CFR 84.43]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>Describe Basis for Conclusion:</p>		

14.

Do the RFPs reviewed identify all significant evaluation factors, including price or cost where required, and their relative importance? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(i) or 24 CFR 84.45]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

15.

Does the EZ:		
a. conduct technical evaluations of submitted proposals? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(iii)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
b. determine responsible offerors from such evaluations? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(iii)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
c. as necessary, conduct negotiations, written or oral, for final contract awards? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(iii)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
d. make awards to the most responsive and responsible offerors whose proposals will be most advantageous to the EZ after price and other factors are considered? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(8)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

16.

<p>If the EZ procures architectural/engineering professional services, are such proposals evaluated with respect to factors other than price and can the EZ document the bases for negotiations of fair and reasonable compensation? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(v)]</p>	<table> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Yes</td> <td>No</td> <td>N/A</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Yes	No	N/A					
<p>Describe Basis for Conclusion:</p>							

17.

<p>For procurement of architectural and engineering professional services, does the EZ maintain a list of qualified offerors who can respond to its RFPs? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(v)]</p>	<table> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Yes</td> <td>No</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No
<input type="checkbox"/>	<input type="checkbox"/>				
Yes	No				
<p>Describe Basis for Conclusion:</p>					

E. NONCOMPETITIVE PROPOSALS

18.

<p>If the EZ procured services noncompetitively, can it show that other methods of procurement (small purchase, sealed bids or competitive proposals) were infeasible because the items were available from a single source; OR a public exigency or emergency was of such urgency to not permit a delay resulting from competitive solicitation, after solicitation of a number of sources; OR competition is determined inadequate; OR approval was granted by HUD? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(d) (4) or 24 CFR 84.46(b)]</p>	<table> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Yes</td> <td>No</td> <td>N/A</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Yes	No	N/A					
<p>Describe Basis for Conclusion:</p>							

19.

20.

14-10

21.

Is contract pricing always based on a method other than the "cost-plus-a-percentage-of-cost" method? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(f)(4) or 24 CFR 84.44(c)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

22.

Are procurement procedures in place that ensure that:		
a. purchase orders and contracts are signed by an authorized program official? [EZ Grant Agreement, Section I.D; 24 CFR 85.36]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
b. items delivered and paid for are consistent with the items contained in the corresponding purchase order and/or contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
c. once requested, timely payment of vendors occurs, after orders have been delivered, inspected and accepted, and payment of the vendor has been approved? [EZ Grant Agreement, Section I.D; 24 CFR 85.36]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
d. a cost or price analysis is performed in connection with every procurement action, including contract modifications? [EZ Grant Agreement, Section I.D; 24 CFR 85.36 or 24 CFR 84.45]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
e. profit is negotiated as a separate element of price where price competition is lacking or a cost analysis is performed? [EZ Grant Agreement, Section I.D; 24 CFR 85.36 or 24 CFR 84.44(c)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

<p>Are the contract provisions listed in 24 CFR 85.36(i) or 24 CFR 84.44(b), as applicable, included in the EZ grant-assisted contracts? [EZ Grant Agreement, Section I.D]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>Describe Basis for Conclusion:</p>		

Does the EZ have a written code of conduct governing employees, officers or agents engaged in the award and administration of contracts supported by grant funds? [[EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(3) or 24 CFR 84.42]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

Can the EZ document a system of contract administration for determining the adequacy of contractors' performance? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(2) or 24 CFR 84.51]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

26.

Can the EZ show that its subrecipients are required to follow applicable procurement policies and procedures in the administration of their contracts and purchase orders? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(2) or 24 CFR 84.5 and 84.48(e)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

27.

If the EZ uses prequalified lists, are such lists current, developed through an open solicitation process without overly restrictive criteria, and include an adequate number of qualified sources? [EZ Grant Agreement, Section I.D; 24 CFR 85.36 or 24 CFR 84.43]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

G. BONDING AND INSURANCE

28.

If contracts have been awarded for construction or facility improvements under the EZ program, does the EZ: [EZ Grant Agreement, Section I.D; 24 CFR 85.36(h) or 24 CFR 84.48(c)]			
a. follow its own requirements relating to bid guarantees, performance bonds and payment bonds for construction contracts or subcontracts valued at or below \$100,000?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
b. meet the minimum Federal requirements for bid guarantees, performance bonds and payment bonds for construction contracts or subcontracts valued above \$100,000?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

29.

Describe Basis for Conclusion: